



COUNTY OF LOS ANGELES
Internal Services Department

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Dave Lambertson
Director

To enrich lives through effective and caring service.

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To: Each Supervisor

From: Dave Lambertson *DL*
Interim Director

Subject: **QUARTERLY REPORT ON LOCAL SMALL BUSINESS ENTERPRISE
PREFERENCE PROGRAM**

This report is to provide your Board with the quarterly results of the Local Small Business Enterprise (SBE) Preference Program for the period between October 1, 2007 and December 31, 2007.

Background

The Local SBE Preference Program became effective October 28, 2002. The Program is designed to enhance contracting and procurement opportunities for local small businesses within the County by providing a five percent (5%) bid price reduction to bids submitted by certified Local SBEs.

The Local SBE Program is modeled on the State of California's small business preference program and utilizes the State's certification of small business status as a requirement for the County's certification of Local SBE status. In addition to State certification, the County's Local SBE Program requires a small business to have its principal office currently located within the County for a period of at least the past twelve months.

During the past year, ISD's Purchasing Division continued to train County departments on the local Small Business Enterprise Preference program requirements as part of our regular procurement training program. This training has also been incorporated in our regular curriculum for the Office of Small Business training sessions held at trade fairs and vendor workshops.

Program Participation Matrix

The following table depicts the purchasing and contracting award and payment information related to certified, Local Small Business Enterprises (SBEs) for the 2nd Quarter and "Year-to-Date" of Fiscal Year 2007-08, as well as the two previous Fiscal Years:

	2 nd Quarter FY 2007-2008	Fiscal Year 2007-2008 (To Date)	Fiscal Year 2006-2007 (Final)	Fiscal Year 2005-2006 (Final)
Total Number of Purchasing and Contract Award Payments to Certified Local SBEs (County-wide)	4,241	7,416	14,136	8,852
Total Dollar Value of Purchase Orders and Contracts Award Payments to Local SBEs (County-wide)	\$18,770,389	\$40,129,755	\$62,956,514	\$59,939,738
Total Number of Purchase Orders and Contract Awards to All Vendors (County-wide)	187,712	326,515	747,837	640,503
Total Dollar Value of Purchase Orders and Contract Award Payments to All Vendors (County- wide)	\$1,284,433,722	\$2,406,290,300	\$6,186,674,169	\$4,471,568,048
Total Cost Differential in applying and awarding purchase orders or contracts to the Local SBE (over the Low Bid)	\$416	\$824	\$19,530	\$12,720

The above data was obtained from eCAPS using our recently implemented Cognos reporting tool that captures all local SBE award and payment activity.

If you have any additional questions regarding the program, please call me directly, or your designated staff may contact Joe Sandoval, ISD Purchasing Division Manager, at (323) 267-2670.

DL:j

c: ISD Board Deputies
Chief Executive Officer
Department Heads
Los Angeles County Small Business Commission